

9/18 9/18 PWTJ0925748483
 DATE IN 8/21 SUSPENSE ENGINEER Brooks LOGGED IN 8/21 TYPE NSL APP NO. 092348667

RECEIVED

ABOVE THIS LINE FOR DIVISION USE ONLY

2009 AUG 21 NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Rubicon Oil Gas
 (194266)
 Sell 25" well No. 1

ADMINISTRATIVE APPLICATION CHECKLIST 30-025-39343

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

6090

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

DATE IN 7/22/09	SUSPENSE	ENGINEER Brook	LOGGED IN 7/28/09	TYPE NSL	APP NO. 0920944242
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

2009 JUL 22 PM 1:45

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Rubicon O&G
Sell 25 #1

special pool rules

ADMINISTRATIVE APPLICATION CHECKLIST

R-8170-P

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
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[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ann Ritchie
Print or Type Name Signature

Regulatory Agent
Title

7-15-09
Date

ann.wtor@gmail.com
E-Mail Address

July 15, 2009

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Mr. Mark E. Fesmire, P.E.
Division Director

Re: Unorthodox Well Location
Sell "25" Well No. 1
API No. 30-025-39343
330' FSL & 1500' FWL (Unit N)
Section 25, T-21 South, R-35 East, NMPM,
Lea County, New Mexico

Dear Mr. Fesmire:

Pursuant to Division Rule 19.15.15.13, Rubicon Oil & Gas, LLC ("Rubicon") is seeking administrative approval of an unorthodox oil well location in the Eumont (Yates-Seven Rivers-Queen) Pool (22800) for its proposed Sell "25" Well No. 1, which is to be drilled at an unorthodox oil well location 330 feet from the South line and 1500 feet from the West line (Unit N) of Section 25, Township 21 South, Range 35 East, NMPM, Lea County, New Mexico. The SE/4 SW/4 of Section 25 is to be dedicated to the well forming a standard 40-acre oil spacing and proration unit for this pool.

The well is located within the Eumont (Yates-Seven Rivers-Queen) Pool. This pool is currently governed by special pool rules as contained within Division Order No. R-8170-P dated December 14, 2001. These pool rules require standard 640-acre spacing and proration units for gas wells, and 40-acre spacing and proration units for oil wells. Oil wells are required to be drilled no closer than 330 feet to the outer boundary of the spacing unit.

The Sell "25" Well No. 1 is proposed to be drilled to a total depth of 4,200 feet to test the Seven Rivers formation, which is anticipated to be oil bearing. The Sell "25" Well No. 1 was originally permitted at a standard oil well location 330 feet from the South line and 1650 feet from the West line (Unit N) of Section 25. Subsequent to the filing of that Application to Drill ("APD"), Rubicon obtained and analyzed 3-D seismic data for this area, and based upon its geologic analysis, the well location was moved slightly to the west. The primary objective of the Sell "25" Well No. 1 is an apparent structural trap in the Seven Rivers formation. The 3-D seismic data indicates that a well drilled at the proposed unorthodox location will provide the maximum amount of structural closure on the top of the Seven Rivers formation.

The affected offset acreage is the SW/4 SW/4 of Section 25. The SW/4 of Section 25 is a single State of New Mexico lease (Lease No. VB-0596-0001), which is currently leased to Rubicon. **Please be advised that the interest ownership between the proposed proration unit and the affected offset acreage is common throughout.** Therefore, there are no affected parties and consequently, Rubicon is not required, and did not provide notice of this application to any other party.

There are currently no producing wells located within the SW/4 of Section 25. An examination of Division records shows that during the 1950's there were two wells drilled to test the Eumont (Yates-Seven Rivers-Queen) Pool within the SW/4 of Section 25. Both of these wells, which were located in Units K and N, produced for a brief period of time from that pool before being plugged and abandoned in 1956 and 1957, respectively.

Enclosed is a Form C-102 for the Sell "25" Well No. 1.

In summary, approval of the application will provide Rubicon the opportunity to recover its just and equitable share of the oil and gas reserves within the Eumont (Yates-Seven Rivers-Queen) Pool underlying the SE/4 SW/4 of Section 25, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (432) 684-6381.

Sincerely,

Ann Ritchie
Regulatory Agent
Rubicon Oil & Gas, LLC
P.O. Box 953
Midland, Texas 79702

Xc: OCD-Hobbs

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☒ AMENDED REPORT

API Number <i>36-025-9</i>	Pool Code <i>33820</i>	Pool Name <i>Jalmat; Tan-Yates-7 Rvrs (oil)</i>
Property Code	Property Name <i>SELL "25"</i>	Well Number <i>1</i>
OGRID No. <i>194266</i>	Operator Name <i>RUBICON OIL AND GAS, LLC</i>	Elevation <i>3624'</i>

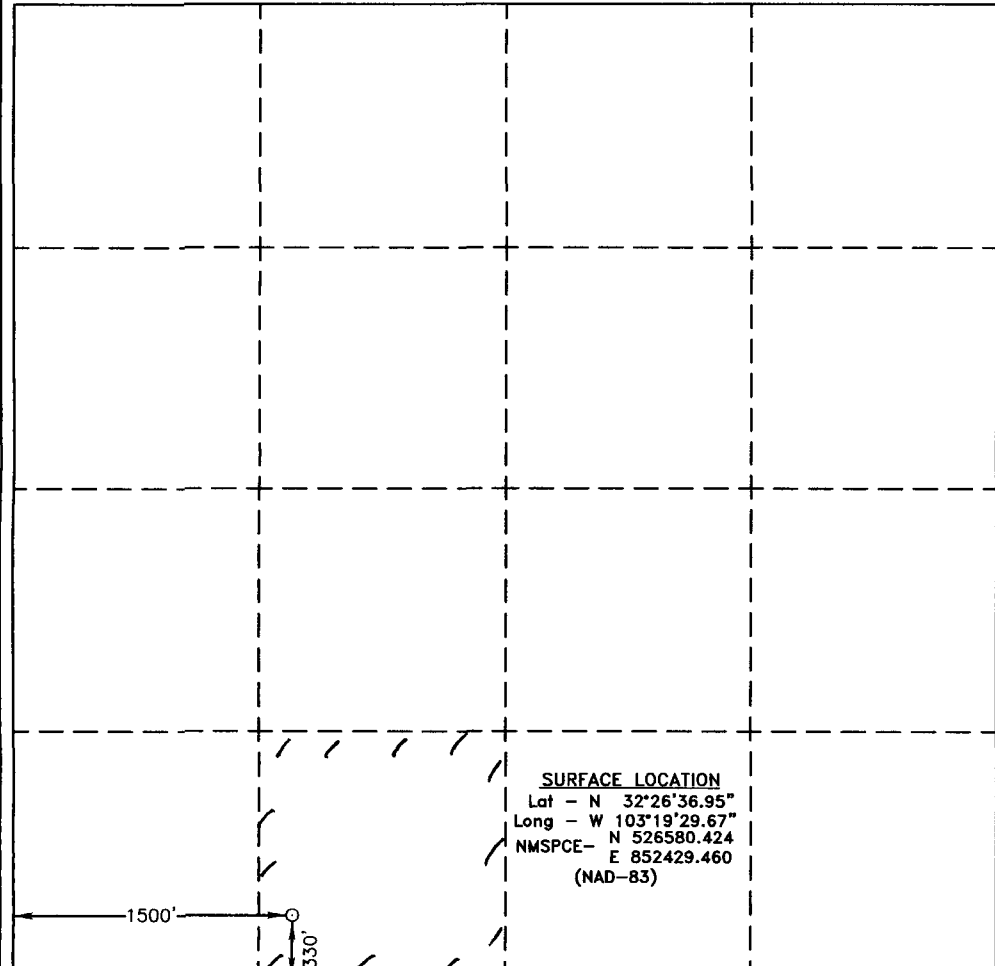
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>N</i>	<i>25</i>	<i>21 S</i>	<i>35 E</i>		<i>330</i>	<i>SOUTH</i>	<i>1500</i>	<i>WEST</i>	<i>LEA</i>

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <i>40</i>	Joint or Infill	Consolidation Code	Order No.	<i>Non Standard Filing</i>					

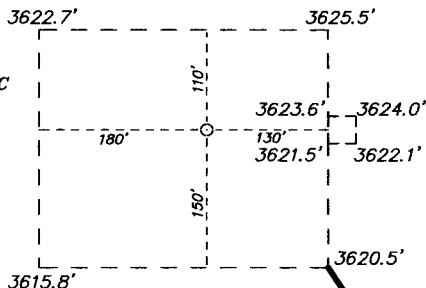
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> <i>7-15-09</i> Signature Date</p> <p><i>Ann E. Ritchie, Regulatory Agent</i> Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed <i>July 15, 2009</i> Signature & Seal of Professional Surveyor <i>[Signature]</i></p>
	<p>Certificate No. <i>Gary L. Jones 7977</i></p>
	<p>BASIN SURVEYS</p>

SECTION 25, TOWNSHIP 21 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

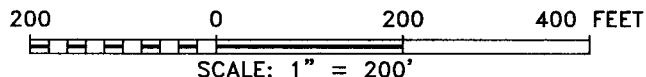
RUBICON OIL AND GAS, LLC
SELL "25" #1
ELEV. - 3624'

Lat - N 32°26'36.95"
Long - W 103°19'29.67"
NMSPCE- N 526580.424
E 852429.460
(NAD-83)



PROPOSED LEASE ROAD 587.9'

288.5'



Directions to Location:

FROM MILE MARKER 26 OF HWY 176, GO EAST 0.4
MILES TO CO. RD 21, GO SOUTH ON WEAVER 3.0
MILES TO LEASE ROAD, ON LEASE ROAD GO WEST
TO PROPOSED LEASE ROAD.

RUBICON OIL AND GAS, LLC

REF: SELL "25" #1 / WELL PAD TOPO

THE SELL "25" #1 LOCATED 330'

FROM THE SOUTH LINE AND 1500' FROM THE WEST LINE OF
SECTION 25, TOWNSHIP 21 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 21506

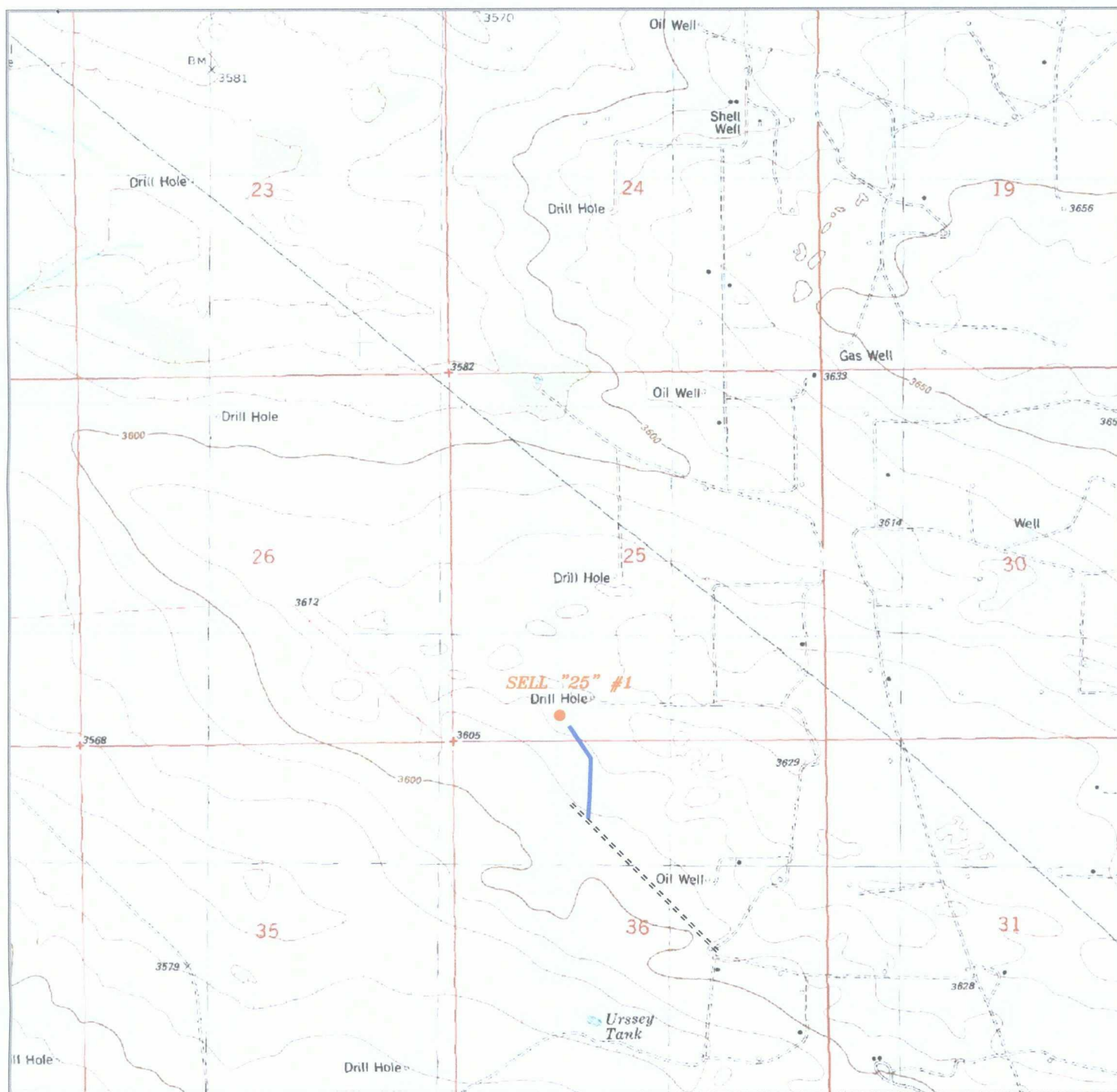
Drawn By: J. SMALL

Date: 06-26-2009

Disk: JMS 21506

Survey Date: 06-25-2009

Sheet 1 of 1 Sheets



SELL "25" #1

Located 330' FSL and 1500' FWL
 Section 25, Township 21 South, Range 35 East,
 N.M.P.M., Lea County, New Mexico.



focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: JMS 21506

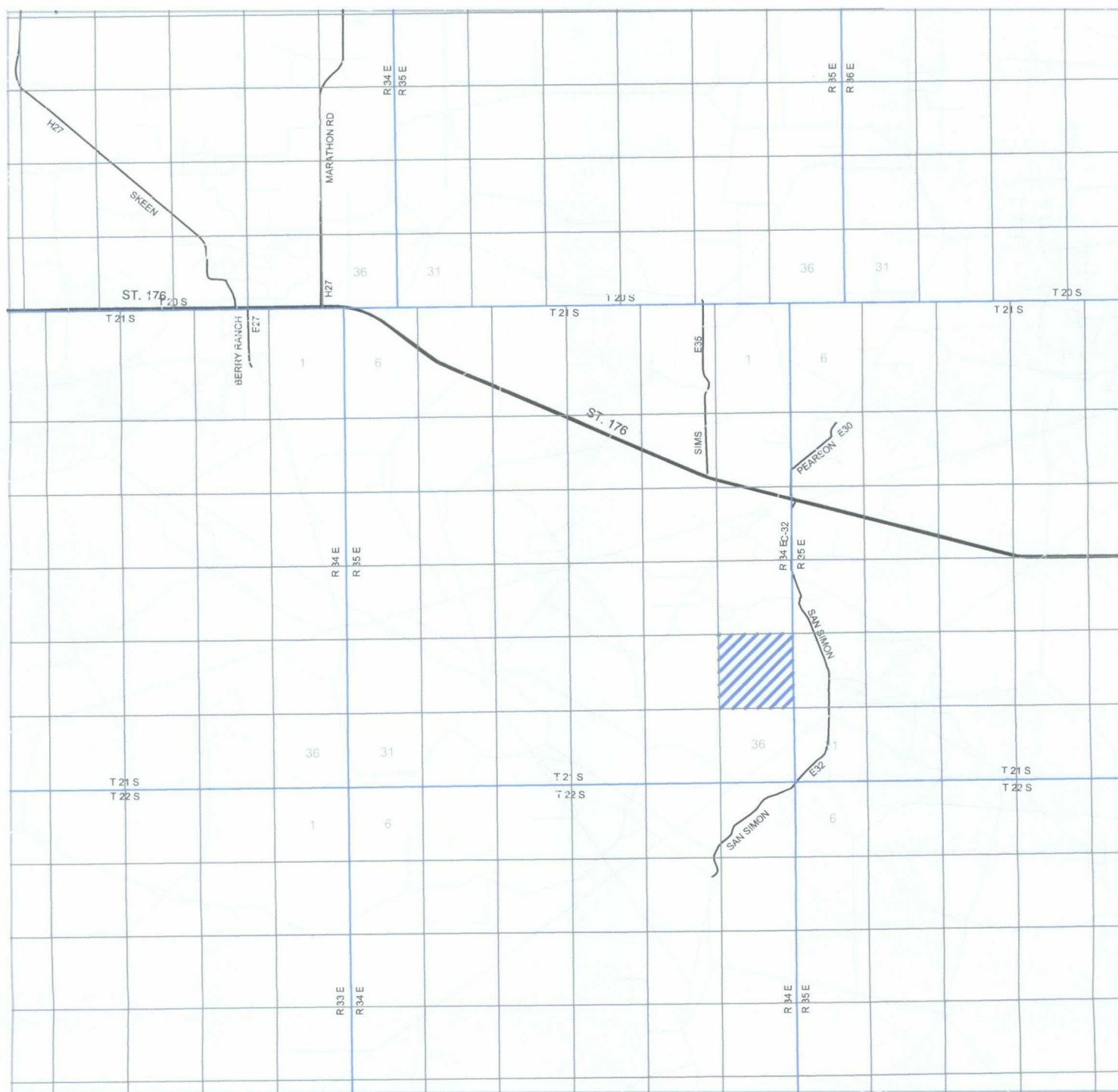
Survey Date: 06-25-2009

Scale: 1" = 2000'

Date: 06-26-2009



**RUBICON OIL
 AND GAS, LLC**



SELL "25" #1

Located 330' FSL and 1500' FWL
Section 25, Township 21 South, Range 35 East,
N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: JMS 21506

Survey Date: 06-25-2009

Scale: 1" = 2 Miles

Date: 06-26-2009



**RUBICON OIL
AND GAS, LLC**



SELL "25" #1

Located 330' FSL and 1500' FWL
 Section 25, Township 21 South, Range 35 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
basinsurveys.com

W.O. Number: JMS 21506

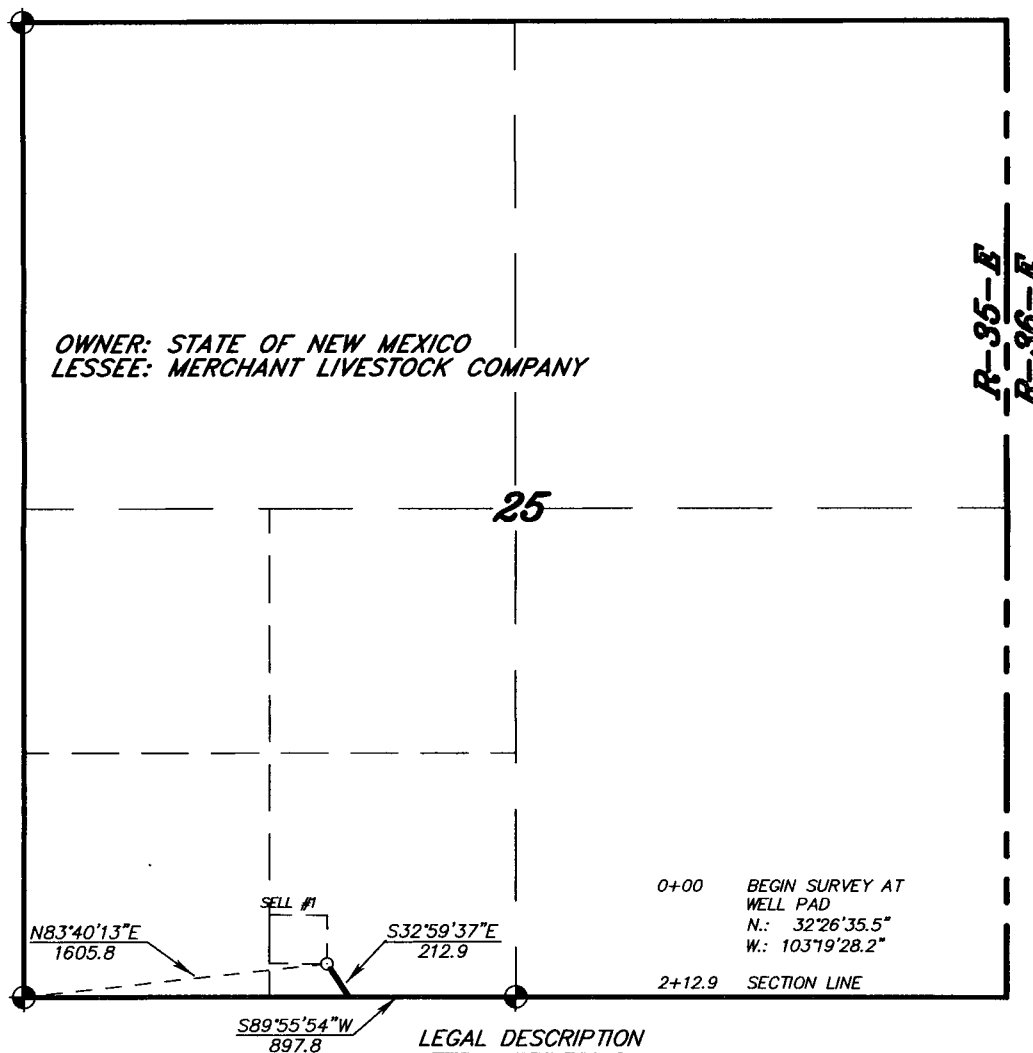
Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



**RUBICON OIL
 AND GAS, LLC**

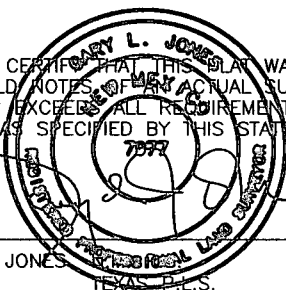
SECTION 25, TOWNSHIP 21 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 25, TOWNSHIP 21 SOUTH, RANGE 35 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY. BEGINNING AT A POINT WHICH LIES N.83°40'13"E., 1605.8 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 25; THENCE S.18°15'14"E., 212.9 FEET TO A POINT ON THE SOUTH SECTION LINE WHICH LIES S.89°55'54"W., 897.8 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 25. SAID STRIP OF LAND BEING 212.9 FEET OR 12.90 RODS IN LENGTH AND CONTAINING 0.15 ACRES, MORE OR LESS, AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SW/4 = 12.90 RODS = 0.15 ACRES

I HEREBY CERTIFY THAT THIS MAP WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES No. 7977
TEXAS P.L.S. No. 5074

1000 0 1000 2000 FEET

RUBICON OIL AND GAS, LLC

REF: PROPOSED LEASE ROAD TO THE SELL "25" #1

A LEASE ROAD CROSSING STATE LAND IN
SECTION 25, TOWNSHIP 21 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

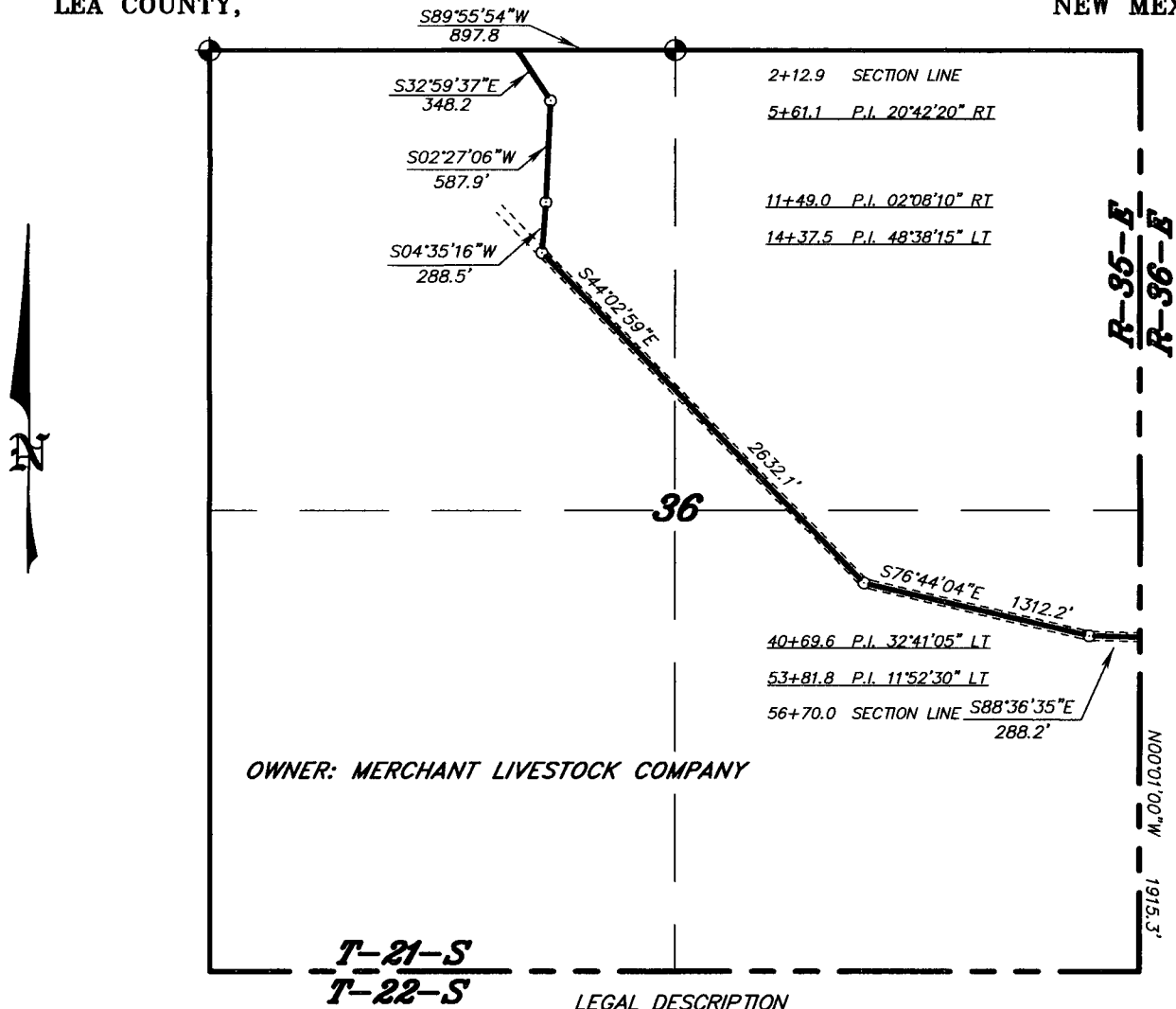
BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 21506 Drawn By: J. M. SMALL

Date: 06-26-2009 Disk: JMS 21506

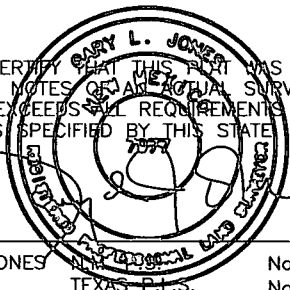
Survey Date: 06-25-2009 Sheet 1 of 3 Sheets

SECTION 36, TOWNSHIP 21 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 36, TOWNSHIP 21 SOUTH, RANGE 35 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY. BEGINNING AT A POINT ON THE NORTH SECTION LINE WHICH LIES S.89°55'54"W, 897.6 FEET FROM THE NORTH QUARTER CORNER OF SAID SECTION 36; THENCE S.32°59'37"E, 348.2 FEET; THENCE S.02°27'06"W, 587.9 FEET; THENCE S.04°35'16"W, 288.5 FEET; THENCE S.44°02'59"E, 2632.1 FEET; THENCE S.76°44'04"E, 1312.2 FEET; THENCE S.88°36'35"E, 288.2 FEET TO A POINT ON THE EAST SECTION LINE WHICH LIES N.00°01'00"W, 1915.3 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 36. SAID STRIP OF LAND BEING 5457.1 FEET OR 330.73 RODS IN LENGTH.

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE



GARY L. JONES No. 7977
TEXAS P.L.S. No. 5074

1000 0 1000 2000 FEET

RUBICON OIL AND GAS, LLC

REF: PROPOSED LEASE ROAD TO THE SELL "25" #1

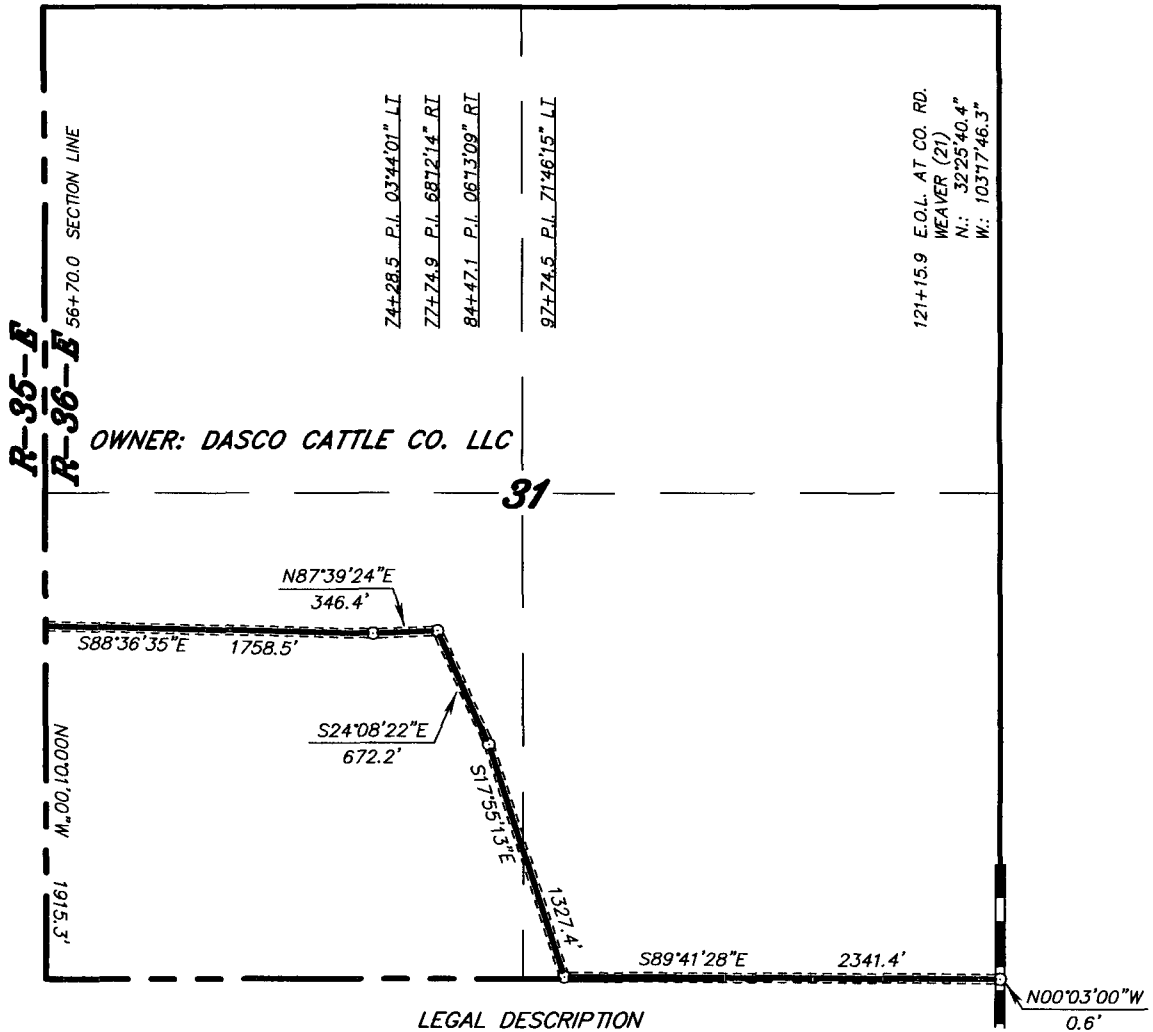
A LEASE ROAD CROSSING FEE LAND IN
SECTION 36, TOWNSHIP 21 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

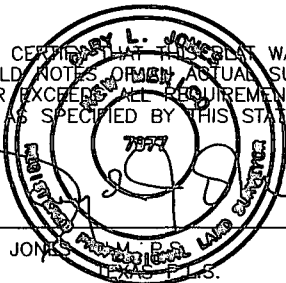
W.O. Number: 21506 Drawn By: J. M. SMALL

Date: 06-26-2009 Disk: JMS 21506 Survey Date: 06-25-2009 Sheet 2 of 3 Sheets

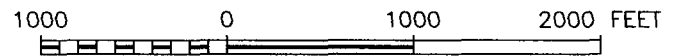
SECTION 31, TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



I HEREBY CERTIFY THAT THIS MAP WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES, P.S. No. 7977
LEA COUNTY, N.M. No. 5074



RUBICON OIL AND GAS, LLC

REF: PROPOSED LEASE ROAD TO THE SELL "25" #1

A LEASE ROAD CROSSING FEE LAND IN
SECTION 31, TOWNSHIP 21 SOUTH, RANGE 36 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786—HOBBS, NEW MEXICO

W.O. Number: 21506 Drawn By: J. M. SMALL

Date: 06-26-2009 Disk: JMS 21506

Survey Date: 06-25-2009 Sheet 3 of 3 Sheets

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, August 12, 2009 11:26 AM
To: 'ann.wtor@gmail.com'
Subject: Rubicon Oil & Gas Sell 25 #1; NSL Application

Dear Ms. Ritchie

In addition to encroaching toward the SW/4 SW/4 of Section 25, as you application notes, it appears that this location also encroaches diagonally toward the NW/4 NW/4 of Section 36.

Our position on diagonal encroachment is that a location encroaches toward a diagonally adjoining unit [See Rule 2.7.A(5) for definition of "adjoining spacing unit] if the location is closer to the common corner than a well at the closest standard location would be.

Please advise concerning working interest ownership in the NW/4 NW/4 of Section 36.

Thanks

David K. Brooks
Legal Examiner
505-476-3450

Brooks, David K., EMNRD

From: Ann Ritchie [ann.wtor@gmail.com]
Sent: Thursday, August 20, 2009 9:50 AM
To: Brooks, David K., EMNRD
Subject: Re: Rubicon Oil & Gas Sell 25 #1; NSL Application

David,

Sorry it has taken so long to get this information, but the leasehold as below is:

Kerns Petroleum, Inc 1777 NE Loop 410, suite 930 San Antonio, TX 78217

I will submit a copy of the application to them by certified mail and send a copy of the certified to you.

Thank you,

Ann Ritchie

West Texas Oil Reports

P.O. Box 953

Midland, TX 79702

432 684-6381

432 682-1458-fax

www.wtor.us

On Wed, Aug 12, 2009 at 12:26 PM, Brooks, David K., EMNRD <david.brooks@state.nm.us> wrote:

Dear Ms. Ritchie

In addition to encroaching toward the SW/4 SW/4 of Section 25, as you application notes, it appears that this location also encroaches diagonally toward the NW/4 NW/4 of Section 36.

Our position on diagonal encroachment is that a location encroaches toward a diagonally adjoining unit [See Rule 2.7.A(5) for definition of "adjoining spacing unit] if the location is closer to the common corner than a well at the closest standard location would be.

Please advise concerning working interest ownership in the NW/4 NW/4 of Section 36.

Thanks

David K. Brooks

Legal Examiner

505-476-3450

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--

This inbound email has been scanned by the MessageLabs Email Security System.

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural ResourcesForm C-101
June 16, 2008

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

2009 AUG 24 PM 1 42

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

Operator Name and Address Rubicon Oil & Gas, LLC 508 West Wall St Ste 500 Midland, Texas 79701		OGRID Number 194266
Property Code		API Number 30 -
Property Name Sell 25		Well No. 1
Proposed Pool 1 Jalmat; Tan-Yates-7 RVRs(Oil)		Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	21S	35E		330'	South	1650'	West	Lea

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

Work Type Code New Well	Well Type Code Oil	Cable/Rotary Rotary	Lease Type Code State	Ground Level Elevation 3623'
Multiple No	Proposed Depth 4200'	Formation 7 Rvrs	Contractor TBD	Spud Date Feb 2009

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	24	350'	325	Surface
7-7/8"	5-1/2"	15.5	4200'	650	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mud Program- 0-350', mud wt 8.4-9.0 ppg fresh wtr native spud mud; 350-3900', mud wt 9.8-10.0 ppg brine water fresh water; 3900-4200', mud weight 9.8-10.1 ppg brine water w/ starch/polymer.

BOPE- diagram attached
Wellbore diagram attached

H2S- Plan attached. Will have minimum compliance package set up prior to drilling out of 8-5/8" casing.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:



Printed name:

Ann E. Ritchie ✓

Title: Agent/Regulatory

E-mail Address: hal@adventure-energy.com ; ann.wtor@gmail.com

Date: 1/21/2009

Phone: 432-683-6565 / 6846381

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

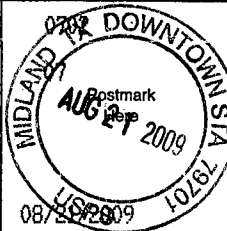
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PS Form 3800, August 2006

See Reverse for Instructions

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, August 24, 2009 1:43 PM
To: 'ann.wtor@gmail.com'
Subject: Rubicon Oil & Gas - Sell 25#1; NSL Application

Dear Ms. Ritchie

Thanks for sending the mail receipt for your notice to Kerns Petroleum.

I also need a copy of your cover letter to Kerns, or other certification that you advised them, as required by 19.15.15.13.D NMAC that they have 20 days to file a protest with the OCD.

Sincerely

David K. Brooks
Legal Examiner 505-476-3450

August 31, 2009

RECEIVED

2009 SEP 8 PM 3 27

Kerns Petroleum, Inc.
1777 NE Loop 410, Suite 930
San Antonio, TX 78217

Re: Unorthodox Well Location
Sell "25", Well #1
API# 30-025-39343
330' FSL & 1500' FWL, Unit N
Section 25, T-21-S, R-35-E, NMPM
Lea County, NM

Ladies / Gentlemen:

We sent you a copy of our NSL Application by certified mail on August 21, 2009 on the well as stated above.

As per 19.15.15.13.D NMAC, Oil Conservation Division rules, as an offset or surface owner have 20 days to file a protest with the Oil Conservation Division.

Objections must be filed with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, within 20 days.

If you should have any questions, please contact me at (432) 684-6381.

Sincerely,



Ann E. Ritchie,
Regulatory Agent, Rubicon Oil & Gas, LLC
508 W. Wall, Suite 500
Midland, TX 79701

7008 3230 0001 9266 9574

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Sent To Kerns Petroleum, Inc.
 Street, Apt. No.;
 or PO Box No. 1777 NE Loop 410, Ste. 930
 City, State, ZIP+4 San Antonio Tx 78217

PS Form 3800, August 2006 See Reverse for Instructions

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, October 05, 2009 9:55 AM
To: 'ann.wtor@gmail.com'
Subject: Rubicon Oil & Gas - Sell 25 #1; NSL Application

Dear Ms. Ritchie

Be advised that the referenced application was granted on September 30, 2009 by Order NSL-6090.

Please note that OCD will no longer mail originals of administrative orders. The signed orders will be available on our website.

Sincerely

David K. Brooks
Legal Examiner